

# City of Detroit


## CITY COUNCIL

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**TO:** The Honorable Detroit City Council

**FROM:** David Whitaker   
Research & Analysis Division staff

**DATE:** November 14, 2006

**RE:** **HOST COMMUNITY AGREEMENT FOR SYSTEMATIC  
RECYCLING COMPOST FACILITY**

The Research & Analysis Division (RAD) was asked whether it is necessary for the City Council to act upon (*i.e.*, approve or disapprove) the proposed host community agreement between the City and Systematic Recycling, L.L.C., ("applicant") for operation of a compost facility at 9125 W. Jefferson.

The host agreement<sup>1</sup> is a **contract** between the City and the applicant, Systematic Recycling, creating rights and obligations for both parties. In short, the host agreement is a contract subject to the approval of the City Council pursuant to Section 4-122 of the Charter of the City of Detroit.

Briefly, the agreement permits the applicant to operate a compost facility limited to the acceptance of yard waste<sup>2</sup>, with an upper limit of 400,000 cubic yards of yard waste annually. The agreement prohibits the applicant from accepting any other form of solid waste, as well as hazardous waste, radioactive waste, or municipal incinerator ash.

Upon execution of the agreement, the applicant is to pay a one-time fee to the City of \$10,000.00. The agreement also requires a semi-annual fee solid waste fee of \$10,000.00. City inspectors are to be granted full access, with or without notice, to monitor the source and volume of the solid waste, as well as examining the applicant's books and records dealing with source, volume and type of waste handled by the facility.

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<sup>1</sup> In 2003, proposed (but not passed) Michigan Senate Bill 506 defined "host community agreement to mean a written, legally binding agreement, between the owner or operator of a landfill and the county or municipality in which an expansion of that landfill will be located, governing the operation, location, or development of the landfill in that county or municipality."

<sup>2</sup> Section 4 states: "Applicant shall not accept any other form of solid waste except for yard waste."

Similar to other contracts with the City, the applicant agrees to make best efforts to hire City residents for no less than 75 percent of the available positions at the facility. A site plan detailing traffic routes, equipment handling, construction plans and compliance with zoning requirements, must be submitted to the City thirty days prior to commencement of operations.

Further obligations include the applicant's agreement to clean local roads adjacent to the facility on at least a nightly basis, as well as cleaning the area completely prior to any discontinuance of operations. The applicant further agrees not to seek City economic development funding or tax abatements.

From a public policy standpoint, Council's oversight serves to check and balance the City's administration by preventing unilateral action and serves to protect the public's interest by providing the community an opportunity to be heard.

If Council has further questions or concerns, RAD will address them.